

EXHIBIT 9

1 of 2

1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE SOUTHERN DISTRICT OF NEW YORK
3 -----X
4 H. CHRISTINA CHEN-OSTER; LISA PARISI;
5 and SHANNA ORLICH,
6 Plaintiffs,
7 -against-
8 GOLDMAN, SACHS & CO. and THE GOLDMAN
9 SACHS GROUP, INC.,
10 Defendants.
11 CASE NO.: 10-CV-06950 (LBS) (JCF)
12 -----X

13 250 Hudson Street
14 New York, New York

15 July 31, 2013
16 9:40 a.m.

17 DEPOSITION of 30(b)(6) Witness,
18 JESSICA KUNG, before Shari Cohen, a Notary
19 Public of the State of New York.
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**DECLARATION OF THEODORE O. ROGERS, JR.
IN OPPOSITION TO PLAINTIFFS' MOTION FOR
CLASS CERTIFICATION**

**EXHIBIT 9 - TRANSCRIPT OF THE DEPOSITION OF JESSICA KUNG
DATED JULY 31, 2013
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1 **REDACTED FILED UNDER SEAL**
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1 group?
 2 **A. My job duties were to work on**
 3 **financial analysis in support of deals and**
 4 **itches that my team worked on.**
 5 Q. As an analyst, did you write
 6 reviews, performance reviews for other
 7 employees?
 8 **A. Yes, I did.**
 9 Q. For which other employees by
 10 title meaning analyst, associate and so forth
 11 did you write reviews for?
 12 **A. I wrote reviews for analysts,**
 13 **for associates and for vice-presidents.**
 14 MS. SULLIVAN: Just to clarify.
 15 you are talking about a 360 review?
 16 MS. SHAVER: Yes. Thank you.
 17 Q. Did you have any responsibility
 18 for determining any other employees
 19 compensation when you were an analyst in IBD?
 20 **A. Not when I was an analyst in**
 21 **IBD.**
 22 Q. How about for determining any
 23 other employees promotions?
 24 **A. During my time in IBD?**
 25 Q. Yes.

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1 **A. I was not responsible for that**
 2 **during my time in IBD.**
 3 Q. What was your next position at
 4 Goldman Sachs?
 5 **A. My next position was an analyst**
 6 **position in HCM.**
 7 Q. Approximately how long did you
 8 hold that position?
 9 **A. I have held that position until**
 10 **present day so approximately six years.**
 11 Q. Who do you currently report to?
 12 **A. I currently report to Tammy**
 13 **Rosen.**
 14 Q. How long have you reported to
 15 Tammy Rosen?
 16 **A. I have reported to her for**
 17 **roughly two years.**
 18 Q. What's her job position?
 19 **A. She's the global HCM head**
 20 **supporting IMD.**
 21 Q. Who did you report to before
 22 Tammy Rosen?
 23 **A. Before Tammy I reported to Tony**
 24 **Infante.**
 25 Q. How long did you report to Toni

Page 25

1 Infante?
 2 **A. I reported to Toni for about**
 3 **four years.**
 4 Q. What was Toni's position during
 5 that time?
 6 **A. She was also the global HCM**
 7 **head supporting IMD.**
 8 Q. What's her current position at
 9 Goldman Sachs?
 10 **A. Toni is no longer with Goldman**
 11 **Sachs.**
 12 Q. Did she have another position
 13 after the global HCM head for IMD or did she
 14 leave after that?
 15 **A. She left after that.**
 16 Q. Have you reported to anybody
 17 else in your role as an analyst in HCM?
 18 **A. No, I have not.**
 19 Q. Have you at any time had any
 20 employees reporting to you in your position
 21 as an analyst in HCM?
 22 **A. I have not had anyone reporting**
 23 **to me while I was an analyst in HCM.**
 24 Q. Can you describe for me your
 25 job duties and responsibilities in that role?

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<p>1 REDACTED FILED UNDER SEAL</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25 facilitate the compensation process?</p>	<p>1 perspective we inform our clients of what the</p> <p>2 quartiling population is meaning which</p> <p>3 employees are eligible to be quartiled. We</p> <p>4 inform them of the deadlines of the</p> <p>5 distribution of the guidelines so to speak</p> <p>6 surrounding quartiling and as I said before,</p> <p>7 we are always there as a resource for them if</p> <p>8 they have questions.</p> <p>9 Q. Is it -- let me back up one</p> <p>10 second. What do you mean by quartiling, are</p> <p>11 you referring to manager quartiling?</p> <p>12 A. I'm referring to manager</p> <p>13 quartiling.</p> <p>14 Q. So the record is clear, could</p> <p>15 you state for me what that is?</p> <p>16 A. Sure, so manager quartiling is</p> <p>17 when managers rank -- is when managers assign</p> <p>18 employees a number which indicates their</p> <p>19 relative performance or standing verses peer.</p> <p>20 Q. The number that managers assign</p> <p>21 employees that's quartile one, quartile two,</p> <p>22 quartile three, four and five; is that</p> <p>23 accurate?</p> <p>24 A. Yes, it spans one through five.</p> <p>25 Q. Is it part of your job duties</p>
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<p>1 REDACTED FILED UNDER SEAL</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p>1 to distribute guidelines relating to</p> <p>2 compensation as well?</p> <p>3 A. As part of the administrative</p> <p>4 aspect of it, yes, we do distribute</p> <p>5 guidelines.</p> <p>6 Q. With respect to quartiling, you</p> <p>7 testified that part of the administrative</p> <p>8 duties included informing employees of</p> <p>9 distributions; is that right?</p> <p>10 A. Informing managers about</p> <p>11 distributions, yes.</p> <p>12 Q. What does that mean?</p> <p>13 A. Quartiling is a -- the end</p> <p>14 result of quartiling is a distribution of</p> <p>15 employees based on their rank so there are</p> <p>16 percentages related to that distribution.</p> <p>17 Q. So do you mean, for example,</p> <p>18 how many employees can be in each quartile?</p> <p>19 A. That's right.</p> <p>20 Q. What are your job duties with</p> <p>21 respect to facilitating the promotion</p> <p>22 process?</p> <p>23 A. For the promotion process we</p> <p>24 inform our clients of the eligible population</p> <p>25 to be nominated for promotion. We inform</p>

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<p>1 them of deadlines and we share the promotion</p> <p>2 criteria and again as I said before, we are</p> <p>3 also there as a resource for them if they</p> <p>4 have questions.</p> <p>5 Q. What are your job duties with</p> <p>6 respect to facilitation of the 360 degree</p> <p>7 review process?</p> <p>8 A. Sure. So with respect to the</p> <p>9 360 review process we send out communications</p> <p>10 around time line for each stage of the review</p> <p>11 process. We also play a role in ensuring that</p> <p>12 everyone who is eligible to be reviewed</p> <p>13 submits review lists so that they in fact can</p> <p>14 be reviewed that year and we serve as a</p> <p>15 resource for managers if they have questions</p> <p>16 or employees.</p> <p>17 Q. Do you have any other job</p> <p>18 duties with respect to compensation of</p> <p>19 associates or vice-presidents in IMD other</p> <p>20 than what you've described already?</p> <p>21 A. Nothing other than what I've</p> <p>22 already described.</p> <p>23 Q. Do you have any job duties with</p> <p>24 respect to promotions from vice-president to</p> <p>25 managing director in IMD other than what</p>	<p>1 REDACTED FILED UNDER SEAL</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>
Page 31	Page 33
<p>1 you've described already?</p> <p>2 A. Nothing beyond what I've</p> <p>3 described although I would like to clarify</p> <p>4 that in terms of what I described for</p> <p>5 promotions, those are for promotions to VP.</p> <p>6 Q. Do you have any role in</p> <p>7 facilitating promotions from VP to MD?</p> <p>8 A. Historically I have had a</p> <p>9 limited role in that process. It has been</p> <p>10 largely again administrative in terms of, you</p> <p>11 know, time line process although our team,</p> <p>12 our HCM team has become recently client</p> <p>13 alined so as we partner more with our clients</p> <p>14 in the business, we are getting more involved</p> <p>15 in the strategy of who's being nominated and</p> <p>16 ultimately discussed for MD positions.</p> <p>17 Q. Even though your job duties</p> <p>18 specifically may not have pertained directly</p> <p>19 to that process promotion from VP to MD, do</p> <p>20 you have insight into how it works in your</p> <p>21 division?</p> <p>22 A. I do have knowledge of how it</p> <p>23 works in IMD.</p> <p>24 Q. Do you have any other job</p> <p>25 duties with respect to the performance</p>	<p>1 REDACTED FILED UNDER SEAL</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>

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DATED JULY 31, 2013
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<p>1 REDACTED FILED UNDER SEAL</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p>1 the comp communication dates so those come</p> <p>2 from the firm.</p> <p>3 Q. In other words, when managers</p> <p>4 are allowed to tell employees what they are</p> <p>5 earning?</p> <p>6 A. That's right.</p> <p>7 Q. How long has IMD had a</p> <p>8 compensation committee?</p> <p>9 A. IMD has had a compensation</p> <p>10 committee for as long as I can recollect.</p> <p>11 Certainly in every year that I personally</p> <p>12 have been on the team.</p> <p>13 Q. Do you know whether it had a</p> <p>14 compensation committee since 2002?</p> <p>15 A. Yes, they had a compensation</p> <p>16 committee since 2002.</p> <p>17 Q. Who's a member of the committee</p> <p>18 at present?</p> <p>19 A. At present the IMD compensation</p> <p>20 committee is comprised of our two division</p> <p>21 heads, our chief operating officer and the</p> <p>22 global IMD HCM head.</p> <p>23 Q. Again, that's Tammy Rosen?</p> <p>24 A. That's Tammy.</p> <p>25 Q. What's the name of the COO?</p>
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<p>1 Q. When you say some of the</p> <p>2 deadlines come from the firm, where</p> <p>3 specifically?</p> <p>4 A. The round one compensation</p> <p>5 deadline is a firm deadline, the round two is</p> <p>6 a firm deadline, bonus payment date is a</p> <p>7 firm, it's not a deadline, but that's a firm</p> <p>8 date, same thing with comp communication and</p> <p>9 same thing with when original budgets are</p> <p>10 initially delivered.</p> <p>11 Q. My question was a little</p> <p>12 different. When you say it's a firm deadline</p> <p>13 or the deadline comes from the firm, from who</p> <p>14 in the firm or from which department?</p> <p>15 A. The reward team that you</p> <p>16 mentioned earlier firm wide compensation is</p> <p>17 one of the teams that sit in the reward group</p> <p>18 and they are responsible for working with</p> <p>19 senior leaders in coming up with those firm</p> <p>20 deadlines.</p> <p>21 Q. Thank you. You referred to</p> <p>22 comp communication as something that comes</p> <p>23 from the firm. Can you tell me what you mean</p> <p>24 by that?</p> <p>25 A. What I was referring to were</p>	<p>1 A. Gavin O'Connor.</p> <p>2 Q. What are the names of the two</p> <p>3 division heads?</p> <p>4 A. Tim O'Neill and Eric Lane.</p> <p>5 Q. Anyone else on the committee at</p> <p>6 present?</p> <p>7 A. No one else at present.</p> <p>8 Q. Has the IMD compensation</p> <p>9 committee historically been comprised of the</p> <p>10 two division heads, a COO and the global IMD</p> <p>11 HCM head?</p> <p>12 A. The compensation was not always</p> <p>13 exactly as it is at present. It's always</p> <p>14 comprised of the global heads and division</p> <p>15 heads and senior business leaders.</p> <p>16 Q. Has the COO always been a</p> <p>17 member of the committee?</p> <p>18 A. Yes.</p> <p>19 Q. So in other words the roles you</p> <p>20 told me are presently in the committee, is it</p> <p>21 accurate that they have always been on the</p> <p>22 committee, but there may have been some other</p> <p>23 people?</p> <p>24 A. That's right.</p> <p>25 Q. Those other people would be</p>

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<p>1 senior business leaders; is that right?</p> <p>2 A. That's what I said, yes.</p> <p>3 Q. Could you tell me what you mean</p> <p>4 by senior business leaders?</p> <p>5 A. They would be senior partners</p> <p>6 running businesses in IMD.</p> <p>7 Q. Do you know why the senior</p> <p>8 business partners are no longer on the</p> <p>9 compensation committee?</p> <p>10 A. Previously IMD had an executive</p> <p>11 committee which comprised these senior</p> <p>12 partners. It's not all the partners in IMD</p> <p>13 that are part of it, I would just say it's</p> <p>14 just a handful that run our major businesses</p> <p>15 and so they were also our compensation</p> <p>16 committee. They were also part of our</p> <p>17 compensation committee.</p> <p>18 Q. Is it true that the executive</p> <p>19 committee and compensation committee used to</p> <p>20 be the same group?</p> <p>21 A. Yes, my understanding is when</p> <p>22 we had an executive committee it was the same</p> <p>23 as the compensation committee.</p> <p>24 Q. When did IMD cease to have an</p> <p>25 executive committee?</p>	<p>1 A. Was just as an HCM resource.</p> <p>2 Q. Is there always another HCM</p> <p>3 employee present besides the global IMD HCM</p> <p>4 head?</p> <p>5 A. Typically there is.</p> <p>6 Q. When was the next time you</p> <p>7 attended a compensation committee meeting?</p> <p>8 A. 2011.</p> <p>9 Q. Was there a special or</p> <p>10 particular reason for you to attend that</p> <p>11 meeting?</p> <p>12 A. Same reason as in 2010.</p> <p>13 Q. When was the third time?</p> <p>14 A. 2012.</p> <p>15 Q. Was there a special or</p> <p>16 particular reason for you to attend that</p> <p>17 meeting?</p> <p>18 A. Same reason as in the prior</p> <p>19 years.</p> <p>20 Q. Can you describe for me broadly</p> <p>21 the compensation committee's purpose?</p> <p>22 A. It's a broad question. Broadly</p> <p>23 speaking the compensation committee listens</p> <p>24 to all of the business units as they come and</p> <p>25 present their compensation decisions.</p>
Page 43	Page 45
<p>1 A. It ceased to have an executive</p> <p>2 committee -- I would say that 2010 if my</p> <p>3 recollection is correct is the last year that</p> <p>4 we had the executive committee.</p> <p>5 Q. Is there currently a head of</p> <p>6 the committee, the compensation committee?</p> <p>7 A. I don't think of there being a</p> <p>8 head of the committee. All of the</p> <p>9 participants that I mentioned are members of</p> <p>10 the committee.</p> <p>11 Q. Have you ever attended a</p> <p>12 meeting of the IMD compensation committee?</p> <p>13 A. Yes, I have attended.</p> <p>14 Q. How many times approximately?</p> <p>15 A. Approximately three times.</p> <p>16 Q. What were the circumstances</p> <p>17 that led you to attend those meetings?</p> <p>18 A. I was there as another HCM</p> <p>19 resource.</p> <p>20 Q. When was the first time you</p> <p>21 attended a compensation committee meeting?</p> <p>22 A. 2010.</p> <p>23 Q. Was there any particular reason</p> <p>24 for you to attend in 2010?</p> <p>25 MS. SULLIVAN: Objection vague.</p>	<p>1 Q. Any other purpose besides</p> <p>2 listening?</p> <p>3 A. Sure, there is a dialogue that</p> <p>4 happens as the members of the compensation</p> <p>5 committee understand how each business</p> <p>6 approached their decision making for that</p> <p>7 year. There may be questions asked during</p> <p>8 that discussion.</p> <p>9 Q. Does the committee have</p> <p>10 decision making power with respect to</p> <p>11 employee's PATC proposals?</p> <p>12 MS. SULLIVAN: Objection vague.</p> <p>13 A. I wouldn't characterize it as</p> <p>14 decision making powers because they are</p> <p>15 really there to listen to the business units</p> <p>16 present their compensation decisions. Again,</p> <p>17 as I stated before it's a dialogue. The</p> <p>18 compensation committee may ask questions, the</p> <p>19 business units will answer, but the</p> <p>20 compensation committee does not have ultimate</p> <p>21 authority over PATC.</p> <p>22 Q. Do they have authority to</p> <p>23 change the numbers that business unit leaders</p> <p>24 present?</p> <p>25 A. As part of the questioning the</p>

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<p>1 REDACTED FILED UNDER SEAL</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p>1 managers who are involved in compensating --</p> <p>2 involved in communicating compensation to our</p> <p>3 employees.</p> <p>4 Q. Was it distributed to managers</p> <p>5 in IMD?</p> <p>6 A. Yes, it was.</p> <p>7 Q. Who is the author of this</p> <p>8 document?</p> <p>9 A. The firm wide compensation team</p> <p>10 which I mentioned before is part of the</p> <p>11 reward group, they are the authors of this</p> <p>12 document.</p> <p>13 Q. Please take a look at page two</p> <p>14 under the bold face GS compensation</p> <p>15 philosophy where it reads the compensation</p> <p>16 recommendation process, do you see that?</p> <p>17 A. Yes, I do.</p> <p>18 Q. Take a minute, please to read</p> <p>19 those three bullet points to yourself.</p> <p>20 A. Okay.</p> <p>21 Q. Are these bullet points an</p> <p>22 accurate description of the compensation</p> <p>23 recommendation process in IMD?</p> <p>24 A. I would say that the bullet</p> <p>25 points are very high level. They are</p>
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<p>1 Q. Does IMD HCM have any input</p> <p>2 into the processes for promotion from VP to</p> <p>3 MD?</p> <p>4 MS. SULLIVAN: Objection vague.</p> <p>5 A. We have input insofar as</p> <p>6 recommending deadlines and timing</p> <p>7 considerations, but mainly from that</p> <p>8 perspective.</p> <p>9 Q. Do you have any input on who is</p> <p>10 selected for candidacy for promotion?</p> <p>11 A. No, HCM does not.</p> <p>12 Q. Do you have any input on who is</p> <p>13 selected for promotion?</p> <p>14 A. No, HCM does not.</p> <p>15 MS.SHAVER: Will you please mark</p> <p>16 this Plaintiff's Exhibit 210.</p> <p>17 (Plaintiff's Exhibit 210,</p> <p>18 Compensation Communication Guide,</p> <p>19 marked for Identification.)</p> <p>20 Q. Do you recognize this document?</p> <p>21 A. Let me just take a minute to</p> <p>22 scan it. Yes, I recognize this document.</p> <p>23 Q. Can you tell me what it is?</p> <p>24 A. This is a compensation</p> <p>25 communication guide that's distributed to</p>	<p>1 accurate, but they don't describe the nuances</p> <p>2 in IMD. Keep in mind this is a firm wide</p> <p>3 document.</p> <p>4 Q. I understand. Is it fair to</p> <p>5 say they are accurate at a high level?</p> <p>6 A. At a high level.</p> <p>7 Q. In regards to bullet point one,</p> <p>8 who at the IMD divisional level receives the</p> <p>9 initial aggregate compensation budgeted to</p> <p>10 IMD?</p> <p>11 A. The budget for compensation</p> <p>12 that comes from the firm goes to our senior</p> <p>13 leaders. Typically our CFO and our COO would</p> <p>14 receive the detailed numbers.</p> <p>15 Q. How about the division heads,</p> <p>16 would they receive it too?</p> <p>17 A. They would receive it too.</p> <p>18 Q. Anybody else?</p> <p>19 A. No, that's it.</p> <p>20 Q. In regards to bullet point</p> <p>21 number two, could you please describe IMD's</p> <p>22 internal process for managers to make</p> <p>23 individual employee total compensation</p> <p>24 recommendations?</p> <p>25 A. It's a multi-step process so</p>

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<p>1 I'll start with what we do once IMD as a 2 division receives the budget from the firm. 3 Once we have the budget from the firm, the 4 budget is then allocated to our businesses. 5 I also want to note that the budget we 6 receive from the firm applies only to our non 7 commission population. There is a separate 8 process for our commission population as 9 their compensation is formulaic.</p> <p>10 Q. Who is responsible for 11 advocating the budget to businesses?</p> <p>12 A. Senior leadership of IMD is 13 responsible for that process.</p> <p>14 Q. Does that include the CFO, the 15 COO and the division heads?</p> <p>16 A. Yes, that's correct.</p> <p>17 Q. Does it include anyone else?</p> <p>18 A. Those are the primary 19 individuals.</p> <p>20 Q. What's the next step?</p> <p>21 A. So once the budget is allocated 22 to businesses which by the way are allocated 23 based on business units relative performance 24 and contribution to the division during the 25 year, once businesses have their budgets,</p>	<p>1 further internal deadlines to manage the 2 process as they wish.</p> <p>3 Q. Is there a deadline by which 4 the business unit leaders have to review the 5 initial recommendations provided by the 6 managers?</p> <p>7 A. Yes, there is.</p> <p>8 Q. What is the purpose of the 9 business unit heads review of those initial 10 recommendations?</p> <p>11 A. The purpose is for the business 12 unit, the managers in the business unit to 13 engage in a dialogue with the business unit 14 head, explain their thought process around 15 how they approached compensation decision 16 making and to get the business head's view 17 which is going to be by nature of he or she 18 being head of the business broader than the 19 manager's individual perspective.</p> <p>20 Q. Do the business unit heads have 21 the authority to change the manager's 22 compensation recommendations?</p> <p>23 A. The business unit manager as 24 part of that dialogue can ask questions and 25 make suggestions again because they have that</p>
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<p>1 then the managers go to making compensation 2 recommendations for their employees.</p> <p>3 Q. Are the managers compensation 4 recommendation for their employees put into 5 the CRS database?</p> <p>6 A. Yes, they are put into the CRS 7 system.</p> <p>8 Q. What's the next step?</p> <p>9 A. So after managers give their 10 initial recommendations, the recommendations 11 are provided to the leaders in that business 12 or the business unit heads.</p> <p>13 Q. How are those recommendations 14 provided to the business unit heads, in what 15 format?</p> <p>16 A. They are available in CRS, the 17 comp recommendation system and business heads 18 have access to that as well.</p> <p>19 Q. Is there a particular deadline 20 by which managers recommendations must be in 21 CRS?</p> <p>22 A. Yes and it can vary by business 23 so just as the firm has their deadlines and 24 IMD may have our own internal deadlines, 25 businesses within IMD may choose to have even</p>	<p>1 REDACTED FILED UNDER SEAL</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>

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(Plaintiff's Exhibit 211,
Compensation Committee Materials,
marked for Identification.)

Q. Are these the materials that
HCM produced for the compensation committee
in 2010?

MS. SULLIVAN: For the record
this exhibit has been marked as
attorneys eyes only.

A. Let me just take a minute to --

Q. Sure.

A. Yes, these are the materials
HCM produced. I would note that some of the
materials contained in here are produced by
our CFO team, the financials.

Q. Is there a term that you use
for this set of materials?

A. We call them many different
things. Usually we call it the compensation
committee materials.

Q. Apart from the three sections
that you described, are there any other
materials that HCM produces for the
compensation committee each year?

A. Well, as you can see in this

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document we have certain supplemental reports
as well.

Q. Are you referring to what's
included in the table of contents for this
document?

A. Yes.

Q. Outside of this document are
there any other materials?

A. No, nothing outside of this.

Q. Are there any other materials
produced for the compensation committee
whether from HCM or another source?

A. Not outside of these materials,
not that I can remember.

Q. You can put this aside. We'll
come back to it. After the compensation
committee receives these materials, what's
the next step in the compensation process in
IMD?

A. After they receive materials,
we have the compensation committee meetings
that we discussed briefly before where
business units come and discuss their
recommendations.

Q. Does every business unit leader

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attend those meetings?

A. Virtually all business unit
leaders attend the meeting. We have a few
groups in IMD that are very small in size and
they are overseen by our COO and so our COO
represents those businesses because he has
oversight of those businesses at the comp
committee.

Q. Is it fair to say he serves the
role of the business unit leader for those
groups?

A. He does.

Q. Which businesses are those?

A. Those are -- their businesses
within our divisional infrastructure group.

Q. Can you recall the names of
those businesses off the top of your head?

A. Our finance and strategy group
which is our CFO team, it's our division
management group, our IMD risk group and our
MAS, managed account services.

Q. What is the next step?

A. So once the compensation
committee meets and engages in that dialogue
with business unit managers, there may be

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<p>1 changes that come out of that discussion so 2 HCM helps facilitate the process of getting 3 the changes into the CRS system and then we 4 submit our round one to the firm. 5 Q. What changes may come out of 6 that discussion at the compensation 7 committee? 8 A. So as I stated before, during 9 the business unit presentations to the 10 compensation committee where the business 11 unit leaders are presenting their thoughts 12 around how they made the allocations, the 13 compensation committee may have questions or 14 suggestions on how certain dollars may be 15 reallocated either at a macro level or on an 16 employee specific basis and so those 17 conversations occur, the business unit heads 18 and the comp committee comes to an agreement 19 on any changes and then HCM facilitates 20 getting those changes into the system. 21 Q. Are you aware of any instances 22 in which a business unit leader has disagreed 23 with the comp committee as to a particular 24 employee's compensation? 25 A. I can't think of an instance</p>	<p>1 priorities are and so if they have again 2 either macro or individual specific changes 3 that they feel would be more appropriate and 4 help retain employees in the areas where we 5 need them the most, then they can make those 6 changes. 7 Q. I believe you said that the 8 next step after the compensation committee 9 meeting is that IMD submits its round one 10 compensation recommendation to the firm; is 11 that right? 12 A. That's right. 13 Q. Is that submitted to firm wide 14 comp? 15 A. It's submitted to firm wide 16 comp. 17 Q. Are you aware of any instances 18 in which the compensation committee has 19 challenged any business unit leader's 20 decision about an employee? 21 MS. SULLIVAN: Objection vague. 22 A. I don't know that I would use 23 the word challenged. During these sessions 24 they engage in a discussion and the 25 compensation committee asks questions to</p>
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<p>1 where those two parties that you mentioned 2 disagree and were not able to reach a 3 consensus on the final number for round one. 4 Q. Is there an IMD policy about 5 what would happen if the two parties were not 6 able to reach agreement who would have the 7 authority to assign the final number? 8 MS. SULLIVAN: Objection vague. 9 A. Can you rephrase the question. 10 Q. If the compensation committee 11 and business unit leaders were not able to 12 reach agreement about a particular employee's 13 compensation, does IMD have a policy 14 regarding who would make the final decision? 15 MS. SULLIVAN: Same objection. 16 A. Usually the two parties are 17 able to come to an agreement, but in a 18 hypothetical situation where they were not 19 able to do so, the IMD compensation 20 committee's role is to review recommendations 21 across the division. They also do have a 22 broader perspective on the relative 23 contributions of each business to the 24 division's results as well as the forward 25 strategy of the division and what the</p>	<p>1 clarify and understand why allocations were 2 made the way they were. 3 Q. Are you aware of any instances 4 in which the compensation committee has asked 5 questions to clarify and understand why 6 allocations were made the way they were to a 7 particular employee? 8 A. Yes, there have been instances. 9 Q. Can you tell me why the 10 committee questioned the business unit leader 11 about that allocation decision in those 12 instances? 13 MS. SULLIVAN: Objection vague. 14 A. Can you repeat or rephrase the 15 question? 16 Q. Can you tell me what instances 17 you are thinking of? 18 A. They vary, but as an example 19 the compensation committee may ask why an 20 employee in a business that is performing not 21 so well in a relative basis to other 22 businesses is up in compensation from year 23 over year and the response hypothetically 24 speaking could be that even though the 25 business in that market was challenged this</p>